

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 608 – SB 755**

April 7, 2015

**SUMMARY OF ORIGINAL BILL:** Removes statutory guidelines on annexation by ordinance from the Tenn. Code Annotated. Removes statutory guidelines from the Tenn. Code Annotated for when a larger municipality would annex a smaller municipality.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENTS (005060, 005906):** Amendment 005060 removes provision of bill that proposed deleting Tenn. Code Ann. § 6-51-109; adds language to the bill that proposes removing the language “by ordinance” from several sections of law concerning annexation; and clarifies that annexation is effectuated by resolution, rather than by ordinance, in Tenn. Code Ann. § 6-51-119(a).

Amendment 005906 requires annexation by written consent resolutions to only become effective upon adoption by a municipality; and removes language from Tenn. Code Ann. § 6-51-109(c) relating to annexation by a larger city of a smaller city by ordinance and instead references certification of election results.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- The fiscal impact of this bill is not significant to state agencies; the bill is only relevant to local government entities.
- Annexation by ordinance currently requires a referendum; as a result, any local impact would be considered permissive.
- Based on information provided by the County Technical Assistance Service, the fiscal impact of this amended bill on local government is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

**HB 608 – SB 755**

A handwritten signature in dark ink, reading "Jeffrey L. Spalding". The signature is fluid and cursive, with the first name "Jeffrey" and last name "Spalding" clearly legible.

Jeffrey L. Spalding, Executive Director

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